

**ST. GEORGE NEIGHBORHOOD REDEVELOPMENT AGENCY MINUTES  
MARCH 3, 2016  
CITY COUNCIL CHAMBERS**

**PRESENT:**

**Chairman Jon Pike  
Agency Member Jimmie Hughes  
Agency Member Michele Randall  
Agency Member Ed Baca  
City Manager Gary Esplin  
City Attorney Shawn Guzman  
City Recorder Christina Fernandez**

**EXCUSED:**

**Agency Member Joe Bowcutt  
Agency Member Bette Arial**

**PUBLIC HEARING/DRAFT CENTRAL BUSINESS DISTRICT COMMUNITY DEVELOPMENT  
PROJECT AREA PLAN AND DRAFT MILLCREEK COMMUNITY DEVELOPMENT PLAN:**

**Public hearing regarding the Draft Central Business District Community Development Project Area Plan and the Draft Millcreek Community Development Plan to allow public comment on the Draft Area Plans and whether the Draft Project Area Plans should be revised, approved, or rejected.**

City Manager Gary Esplin advised under state law, the Redevelopment Agency is allowed to make up agency areas to use tax increment financing for projects. There are several EDAs and CDAs throughout the City. He is proposing to create two additional CDAs, one in the Downtown area and the other in the Millcreek Business Park.

Jason Burningham with Lewis Young Robertson & Burningham presented a PowerPoint presentation covering the following topics: Introduction: Community Development and Renewal Agencies; Purpose of a CDA to Encourage Community Enhancement & Assistance; Tax Increment; General Tax Increment Example; Process of Creation – CDAs; Central Business District CDA; Project Area Plan: Proposed CDA Project Area Boundaries; Development Assumptions – “Proposed Community Development”; Reasons for CDA Project Area; Next Steps; Millcreek CDA; Project Area Plan: Proposed CDA Project Area Boundaries; Development Assumptions – “Proposed Community Development”; Reasons for a CDA Project Area; and Next Steps. He explained if a business in one of the CDAs chooses not to participate, the biggest potential downside is the underlying assessed value because the parcels around them are being enhanced.

City Manager Gary Esplin explained an interlocal agreement means the other entities have to agree to give up their portion of tax increments. The City has been acquiring property in the downtown area that is not accessing tax. He mentioned that cities throughout the state are using CDAs to improve their downtown areas. This proposal will have to be discussed with the County, School District and other agencies as they receive the majority of property tax increments; without them, this will not work.

Chairman Pike opened the public hearing.

Jim Coleman, downtown property owner, stated that he feels strongly that there is a definite need for this type of project in the City. He asked when the public would see a disclosure of the project plan and since participation is voluntary for private property owners, there would not be an act by the City for a condemnation process or if that would be held in abeyance as to so be something the City can and will use.

City Manager Gary Esplin explained that state statute allows condemnation in a City for public purpose, but not in a CDA to further a development project. It not anticipated that any project proposed so far would have any reason to do a condemnation. Additionally, there have not been any negotiations other than being contacted by several groups who

wish to bring in projects if a CDA is created. These projects would be approved by the Council and the Redevelopment Agency; the proposals have been for apartments, hotels, commercial, retail, and restaurants. None of the funds received from these tax increments will be used by the City to build anything. In looking at planning around the Country, it is critical to have a variety of things happening in a downtown area. Although the City already has a number of things in the downtown area, some areas such as retail is lacking.

Agency Member Baca noted that the Joule Plaza project has been addressed at public meetings.

Steve Smith, downtown property owner, recognized the challenges of the downtown area. It is difficult for the City to know how far in the market to interject itself to pump economic development. One of the problems they are concerned with is residential – whether it is owner occupied or rentals. The nature of the residential units is as critical as their existence; they need to have significant disposable income. He doesn't know if there is enough interest in the market to commit resources for development that will re-thicken the Central Business District. It is a challenge to find things that will bring people downtown. With projects like this, noticing requirements need to be expanded to give property owners knowledge of what is being proposed within a CDA. The document he received states that the CDA has the opportunity to acquire and assemble land and to demolish land in order to further the goals of the CDA. He asked if there were any areas the Agency anticipates acquiring in order to further projects.

City Manager Gary Esplin explained that a CDA is created to help bring the focus to the downtown area. With regard to housing, staff would encourage more living units as things are changing. Not everyone wants to buy a home, some want a downtown apartment where they can walk or ride their bike to work; most of them have significant disposable income. The City does not intent to purchase property other than what it has over the past 20 years.

Mr. Burningham mentioned that Mr. Smith brought up some excellent points. The conceptual proposals have been market rate driven housing. None of them have been affordable housing projects. Part of the plans objective is to revitalize the area. Investing into downtown areas has been successful in many cases.

Agency Member Baca commented about transparency and noticing requirements. What has transpired in the area has been quite clear and open. There is no question that things have been open such as the Electric Theater and the Children's Museum.

City Manager Gary Esplin added that the area is zoned C4; therefore a public hearing would not be required if the proposed use conforms to the zone. If there is a need, staff goes beyond the noticing requirements. Noticing for tonight's action is mandated by state law; staff conformed to the law. He doesn't see a problem with notifying all residents in the area on future projects.

Ed Nelson, downtown property owner, stated that his biggest concern is having a theme. He would like the businesses on the bottom level and would like them to be unique. He asked how the CDA will bring all of that together.

City Manager Gary Esplin explained the proposal on the City owned project has commercial on the bottom level with residential above. There is a theme downtown – the Arts District, Electric Theater, entertainment, etc. The theme is the historic nature of the downtown area; any projects would have to conform with the historic district.

Tom Bayles, who represents property owners in the Millcreek Industrial Park, asked what the plan is in that area.

City Manager Gary Esplin stated at this point, the plan is a concept to generate new jobs. Staff has been approached by three businesses in the area who want to expand; some of which would be significant expansions. The City did not initiate the desire to go with a CDA. One of these businesses approached the State to expand their operation and was told that the City needed to help; they were going to leave the state. This has been done previously with Family Dollar, Viracon and Wells Dairy in the Ft. Pearce area. He explained how the percentage of tax increments come into the CDA.

Randy Wilkinson, downtown property owner, mentioned the Joule Plaza project. As a potential developer of a project in the downtown area, he is grateful for the RDA to consider creating a CDA. The cost of the project became prohibitive; a CDA can give their project new life. At this point 150-185 high scale rental units is what they are proposing. A market study has shown these types of units would be successful. There has been some interest in the commercial space.

Chairman Pike closed the public hearing.

Agency Member Hughes stated when talking about what may or may not be accomplished; there is an upside to having the opportunity to promote these projects. Regarding to the Millcreek Industrial Park, it is interesting to know that customers of one of the companies there would like to see them closer to where they are; however, that company chose to stay here. Things will be discussed as projects are proposed. There is incredible potential in creating these CDAs.

Agency Member Randall commented that the current Council would never approve anything that would not enhance downtown.

**RESOLUTION/CENTRAL COMMUNITY BUSINESS DEVELOPMENT PROJECT AREA PLAN:  
Consider approval of a resolution approving the Draft Central Business District  
Community Development Project Area Plan as the official Project Area Plan.**

**MOTION:** A motion was made by Agency Member Hughes to adopt the resolution approving the Draft Central Business District Community Development Project Area Plan.

**SECOND:** The motion was seconded by Agency Member Randall.

**VOTE:** Chairman Pike called for a roll call vote, as follows:

Agency Member Hughes – aye  
Agency Member Randall - aye  
Agency Member Baca – aye

The vote was unanimous and the motion carried.

**RESOLUTION/MILLCREEK COMMUNITY DEVELOPMENT PROJECT AREA:  
Consider approval of a resolution approving the Draft Millcreek Community  
Development Project Area Plan as the official Project Area Plan.**

**MOTION:** A motion was made by Agency Member Hughes to adopt the resolution approving the Draft Millcreek Community Development Project Area Plan.

**SECOND:** The motion was seconded by Agency Member Baca.

City Manager Gary Esplin clarified that the when approving the draft plan, the Agency is accepting it as the official plan; it is no longer a draft.

**AMENDED  
MOTION:**

An amended motion was made by Agency Member Hughes to adopt the resolution approving the Millcreek Community Development Project Area Plan as the official project area plan.

**SECOND:  
VOTE:**

The amended motion was seconded by Agency Member Baca.  
Chairman Pike called for a roll call vote, as follows:

Agency Member Hughes – aye  
Agency Member Randall - aye  
Agency Member Baca – aye

The vote was unanimous and the motion carried.

**MINUTES:**

**Consider approval of the minutes of the Redevelopment Agency meeting held December 17, 2015.**

**MOTION:**

A motion was made by Agency Member Randall to approve the minutes from December 17, 2015.

**SECOND:**

The motion was seconded by Agency Member Baca.

**VOTE:**

Chairman Pike called for a vote, as follows:

Agency Member Hughes – aye  
Agency Member Randall - aye  
Agency Member Baca – aye

The vote was unanimous and the motion carried.

**ADJOURN TO CITY COUNCIL MEETING:**

**MOTION:**

A motion was made by Agency Member Randall to adjourn to the City Council meeting.

**SECOND:**

The motion was seconded by Agency Member Hughes.

**VOTE:**

Chairman Pike called for a vote, as follows:

Agency Member Hughes – aye  
Agency Member Randall - aye  
Agency Member Baca – aye

The vote was unanimous and the motion carried.